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FISCAL IMPACT REPORT

	ORIGINAL DATE 1/22/2007		
SPONSOR	Altamirano	LAST UPDATED	HB
	SANTA FE CC SMALL BUSINESS		
SHORT TITLE	DEVELOPMENT CENTER	SB	127
			ANALYST McOlash

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	\$2,000.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Higher Education Department (HED)
Santa Fe Community College (SFCC)

SUMMARY

Synopsis of Bill

Senate Bill 127 appropriates \$2,000,000 from the General Fund to the New Mexico Higher Education Department for expenditure in FY 2008 to pay for expanded services of the New Mexico Small Business Development Center (SBDC) at Santa Fe Community College.

FISCAL IMPLICATIONS

The appropriation of \$2.0 million contained in this bill is a recurring expense to the General Fund. Any unexpended or unencumbered balance remaining at the end of FY 2008 shall revert to the General Fund.

SIGNIFICANT ISSUES

The New Mexico Small Business Development Center is a Statewide Small Business Development and Training Program, with the lead office hosted by SFCC. Local SBDC offices

are funded by sub-contract between Santa Fe Community College and sixteen Higher Education institutions across New Mexico. The New Mexico SBDC' strategic mission is to provide quality direct assistance, entrepreneurial education and resource links for potential and existing businesses to strengthen the economy of New Mexico. The SBDC is overseen at the National level by the United States Small Business Administration.

The New Mexico HED indicates the appropriation is intended to expand the current services available and establish additional services. Specific goals include, expanding core support for the 19 existing sites throughout the state, implementing a procurements assistance program, establishing a Veterans Small Business Resource Center in collaboration with the New Mexico Department of Veterans Services, and establishing a Technology Small Business Development Center in conjunction with New Mexico Technical Institute to serve the southern half of the state. The northern half of the state is currently served in this capacity in partnership with University of New Mexico-Los Alamos Branch.

This additional funding will be utilized for the following purposes:

- Additional core funding support for the nineteen existing local SBDC offices across the state.
- Implementation of a NMSBDC Statewide Small Business Procurement Assistance Program
- Establish a Veteran's Small Business Resource Center
- Establish a Technology SBDC Office to provide targeted assistance and education to technology base enterprises
- Expansion of the NMSBDC Business, Stakeholders and Partners Needs Assessment and Satisfaction measurement system.

This proposal was submitted to HED by SFCC's SBDC, but was not included in the Department's funding recommendation for FY08.

OTHER SUBSTANTIVE ISSUES

Federal statutes, which apply to the National SBDC program, require the association of an SBDC with a Higher Education Institution as the sole funding and recipient. Santa Fe Community College is the direct recipient of the New Mexico SBDC Federal funding by cooperative agreement with the US Small Business Administration. As such, the Federal Statute and Cooperative Agreement require the SBDC to have its own separate budget including all funding sources within the Host Educational Institution (SFCC).

BM/nt